## **Introduced by Assembly Member Torlakson**

October 28, 2009

An act to amend Sections 47602, 47605, 47605.6, and 47607 of, and to add Section 47605.9 to, the Education Code, relating to charter schools.

## LEGISLATIVE COUNSEL'S DIGEST

AB 3, as introduced, Torlakson. Charter schools.

(1) The Charter Schools Act of 1992 authorizes any one or more persons to submit a petition to the governing board of a school district to establish a charter school that operates independently from the existing school district structure as a method of accomplishing specified goals. The act limits the maximum number of charter schools authorized to operate in the state each year, as specified.

This bill would delete that limitation.

(2) The Charter Schools Act specifies the procedures for the submission, review, and approval or denial of a petition to establish a standard or countywide charter school. The act authorizes the governing board of a school district or a county board of education to deny a charter petition if the board makes written factual findings that demonstrate that the petition does not contain reasonably comprehensive descriptions of the measurable pupil outcomes identified for use by the charter school.

This bill, commencing January 1, 2010, or the effective date of the bill, whichever date is later, would require a standard or countywide charter school petition to contain a comprehensive description of measurable pupil outcomes selected by the applicant school that are

 $AB 3 \qquad \qquad -2 -$ 

consistent with the skills, knowledge, and attitudes identified as goals in the school's educational program and include specified components, and would authorize the denial of a charter petition if the measurable pupil outcomes described in the petition are not in compliance with these requirements. By January 1, 2012, the bill would require all charter schools authorized prior to January 1, 2010, or the effective date of the bill, whichever date is later, to submit to the authorizing school district or agency a comprehensive description of measurable pupil outcomes selected by the school pursuant to these provisions. The bill also would require a charter school that has selected measurable pupil outcomes pursuant to these provisions to use the measurable pupil outcomes for purposes of annual assessment of pupil performance and annually to submit the outcomes to the authorizing school district or agency, the Superintendent, and the State Board of Education. By requiring charter schools to perform additional duties, the bill would impose a state-mandated local program.

(3) The Charter Schools Act limits the duration of charters to a period not to exceed 5 years and authorizes the chartering authority to grant one or more subsequent renewals for an additional period of 5 years. The act specifies the criteria a charter school is required to meet in order to receive a renewal of its charter.

This bill, commencing January 1, 2011, or the effective date of the bill, whichever date is later, would require all charter renewals to contain a comprehensive description of measurable pupil outcomes selected by the school that are consistent with the skills, knowledge, and attitudes identified as goals in the school's educational program and include specified components. The bill would require a charter school that receives a renewal of its charter to use the measurable pupil outcomes for purposes of annual assessment of pupil performance and annually to submit the outcomes to the authorizing district or agency and the state board. By requiring charter schools to perform additional duties in order to obtain a charter renewal, the bill would impose a state-mandated local program.

(4) The Charter Schools Act authorizes a chartering authority to revoke a charter if the authority finds, through a showing of substantial evidence, that the charter school commits one of several specified acts or failures to act, including, among others, the failure to meet or pursue any of the pupil outcomes identified in the charter.

This bill would clarify that provision to authorize the revocation of a charter if the charter school fails to meet or pursue any of the pupil -3- AB 3

outcomes identified in the charter pursuant to the provisions of the bill discussed in paragraph (2) above.

(5) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

The people of the State of California do enact as follows:

1 SECTION 1. Section 47602 of the Education Code is amended 2 to read:

47602. (a) (1) In the 1998–99 school year, the maximum total number of charter schools authorized to operate in this state shall be 250. In the 1999–2000 school year, and in each successive school year thereafter, an additional 100 charter schools are authorized to operate in this state each successive school year. For the purposes of implementing this section, the State Board of Education The state board shall assign a number to each charter petition that it grants pursuant to subdivision (j) of Section 47605 or Section 47605.8 and to each charter notice it receives pursuant to this part, based on the chronological order in which the notice is received. Each number assigned by the state board on or after January 1, 2003, shall correspond to a single petition that identifies a charter school that will operate within the geographic and site limitations of this part. The State Board of Education state board shall develop a numbering system for charter schools that identifies each school associated with a charter and that operates within the existing limit on the number of charter schools that can be approved each year. For purposes of this section, sites that share educational programs and serve similar pupil populations may not be counted as separate schools. Sites that do not share a common educational program shall be considered separate schools for purposes of this section. The limits contained in this paragraph may not be waived by the State Board of Education pursuant to Section 33050 or any other provision of law.

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 $AB 3 \qquad \qquad -4 -$ 

(2) By July 1, 2003, the Legislative Analyst shall, pursuant to the criteria in Section 47616.5, report to the Legislature on the effectiveness of the charter school approach authorized under this part and recommend whether to expand or reduce the annual rate of growth of charter schools authorized pursuant to this section.

- (b) No charter shall be granted under this part that authorizes the conversion of any private school to a charter school. No charter school shall receive any public funds for a pupil if the pupil also attends a private school that charges the pupil's family for tuition. The State Board of Education state board shall adopt regulations to implement this section.
- SEC. 2. Section 47605 of the Education Code is amended to read:
- 47605. (a) (1) Except as set forth in paragraph (2), a petition for the establishment of a charter school within a school district may be circulated by one or more persons seeking to establish the charter school. A petition for the establishment of a charter school shall identify a single charter school that will operate within the geographic boundaries of that school district. A charter school may propose to operate at multiple sites within the school district, as long as each location is identified in the charter school petition. The petition may be submitted to the governing board of the school district for review after either of the following conditions are met:
- (A) The petition has been signed by a number of parents or legal guardians of pupils that is equivalent to at least one-half of the number of pupils that the charter school estimates will enroll in the school for its first year of operation.
- (B) The petition has been signed by a number of teachers that is equivalent to at least one-half of the number of teachers that the charter school estimates will be employed at the school during its first year of operation.
- (2) A petition that proposes to convert an existing public school to a charter school that would not be eligible for a loan pursuant to subdivision (b) of Section 41365 may be circulated by one or more persons seeking to establish the charter school. The petition may be submitted to the governing board of the school district for review after the petition has been signed by not less than 50 percent of the permanent status teachers currently employed at the public school to be converted.

-5- AB 3

(3) A petition shall include a prominent statement that a signature on the petition means that the parent or legal guardian is meaningfully interested in having his or her child or ward attend the charter school, or in the case of a teacher's signature, means that the teacher is meaningfully interested in teaching at the charter school. The proposed charter shall be attached to the petition.

- (4) After receiving approval of its petition, a charter school that proposes to establish operations at one or more additional sites shall request a material revision to its charter and shall notify the authority that granted its charter of those additional locations. The authority that granted its charter shall consider whether to approve those additional locations at an open, public meeting. If the additional locations are approved, they shall be a material revision to the charter school's charter.
- (5) A charter school that is unable to locate within the jurisdiction of the chartering school district may establish one site outside the boundaries of the school district, but within the county in which that school district is located, if the school district within the jurisdiction of which the charter school proposes to operate is notified in advance of the charter petition approval, the county superintendent of schools and the Superintendent are notified of the location of the charter school before it commences operations, and either of the following circumstances exist:
- (A) The school has attempted to locate a single site or facility to house the entire program, but a site or facility is unavailable in the area in which the school chooses to locate.
- (B) The site is needed for temporary use during a construction or expansion project.
- (6) Commencing January 1, 2003, a petition to establish a charter school may not be approved to serve pupils in a grade level that is not served by the school district of the governing board considering the petition, unless the petition proposes to serve pupils in all of the grade levels served by that school district.
- (b) No later than 30 days after receiving a petition, in accordance with subdivision (a), the governing board of the school district shall hold a public hearing on the provisions of the charter, at which time the governing board of the school district shall consider the level of support for the petition by teachers employed by the district, other employees of the district, and parents. Following review of the petition and the public hearing, the governing board

-6-

of the school district shall either grant or deny the charter within 60 days of receipt of the petition, provided, however, that the date may be extended by an additional 30 days if both parties agree to the extension. In reviewing petitions for the establishment of charter schools pursuant to this section, the chartering authority shall be guided by the intent of the Legislature that charter schools are and should become an integral part of the California educational system and that establishment of charter schools should be encouraged. The governing board of the school district shall grant a charter for the operation of a school under this part if it is satisfied that granting the charter is consistent with sound educational practice. The governing board of the school district shall not deny a petition for the establishment of a charter school unless it makes written factual findings, specific to the particular petition, setting forth specific facts to support one or more of the following findings: 

- (1) The charter school presents an unsound educational program for the pupils to be enrolled in the charter school.
- (2) The petitioners are demonstrably unlikely to successfully implement the program set forth in the petition.
- (3) The petition does not contain the number of signatures required by subdivision (a).
- (4) The petition does not contain an affirmation of each of the conditions described in subdivision (d).
- (5) The petition does not contain reasonably comprehensive descriptions of all of the following:
- (A) (i) A description of the educational program of the school, designed, among other things, to identify those whom the school is attempting to educate, what it means to be an "educated person" in the 21st century, and how learning best occurs. The goals identified in that program shall include the objective of enabling pupils to become self-motivated, competent, and lifelong learners.
- (ii) If the proposed school will serve high school pupils, a description of the manner in which the charter school will inform parents about the transferability of courses to other public high schools and the eligibility of courses to meet college entrance requirements. Courses offered by the charter school that are accredited by the Western Association of Schools and Colleges may be considered transferable and courses approved by the University of California or the California State University as

\_7\_ AB 3

creditable under the "A" to "G" admissions criteria may be considered to meet college entrance requirements.

- (B) (i) The measurable pupil outcomes identified for use by the charter school. "Pupil outcomes," for purposes of this part, means the extent to which all pupils of the school demonstrate that they have attained the skills, knowledge, and attitudes specified as goals in the school's educational program.
- (ii) Commencing January 1, 2010, or the effective date of this section, whichever date is later, the measurable pupil outcomes for purposes of this subparagraph shall comply with Section 47605.9.
- (C) The method by which pupil progress in meeting those pupil outcomes is to be measured.
- (D) The governance structure of the school, including, but not limited to, the process to be followed by the school to ensure parental involvement.
- (E) The qualifications to be met by individuals to be employed by the school.
- (F) The procedures that the school will follow to ensure the health and safety of pupils and staff. These procedures shall include the requirement that each employee of the school furnish the school with a criminal record summary as described in Section 44237.
- (G) The means by which the school will achieve a racial and ethnic balance among its pupils that is reflective of the general population residing within the territorial jurisdiction of the school district to which the charter petition is submitted.
  - (H) Admission requirements, if applicable.
- (I) The manner in which annual, independent financial audits shall be conducted, which shall employ generally accepted accounting principles, and the manner in which audit exceptions and deficiencies shall be resolved to the satisfaction of the chartering authority.
- (J) The procedures by which pupils can be suspended or expelled.
- (K) The manner by which staff members of the charter schools will be covered by the State Teachers' Retirement System, the Public Employees' Retirement System, or federal social security.
- (L) The public school attendance alternatives for pupils residing within the school district who choose not to attend charter schools.

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-8-

(M) A description of the rights of any employee of the school district upon leaving the employment of the school district to work in a charter school, and of any rights of return to the school district after employment at a charter school.

- (N) The procedures to be followed by the charter school and the entity granting the charter to resolve disputes relating to provisions of the charter.
- (O) A declaration whether or not the charter school shall be deemed the exclusive public school employer of the employees of the charter school for the purposes of Chapter 10.7 (commencing with Section 3540) of Division 4 of Title 1 of the Government Code.
- (P) A description of the procedures to be used if the charter school closes. The procedures shall ensure a final audit of the school to determine the disposition of all assets and liabilities of the charter school, including plans for disposing of any net assets and for the maintenance and transfer of pupil records.
- (c) (1) Charter schools shall meet all statewide standards and conduct the pupil assessments required pursuant to Sections 60605 and 60851 and any other statewide standards authorized in statute or pupil assessments applicable to pupils in noncharter public schools.
- (2) Charter schools shall, on a regular basis, consult with their parents, legal guardians, and teachers regarding the school's educational programs.
- (d) (1) In addition to any other requirement imposed under this part, a charter school shall be nonsectarian in its programs, admission policies, employment practices, and all other operations, shall not charge tuition, and shall not discriminate against any pupil on the basis of the characteristics listed in Section 220. Except as provided in paragraph (2), admission to a charter school shall not be determined according to the place of residence of the pupil, or of his or her parent or legal guardian, within this state, except that an existing public school converting partially or entirely to a charter school under this part shall adopt and maintain a policy giving admission preference to pupils who reside within the former attendance area of that public school.
- (2) (A) A charter school shall admit all pupils who wish to attend the school.

-9- AB 3

(B) However, if the number of pupils who wish to attend the charter school exceeds the school's capacity, attendance, except for existing pupils of the charter school, shall be determined by a public random drawing. Preference shall be extended to pupils currently attending the charter school and pupils who reside in the district except as provided for in Section 47614.5. Other preferences may be permitted by the chartering authority on an individual school basis and only if consistent with the law.

- (C) In the event of a drawing, the chartering authority shall make reasonable efforts to accommodate the growth of the charter school and in no event shall take any action to impede the charter school from expanding enrollment to meet pupil demand.
- (3) If a pupil is expelled or leaves the charter school without graduating or completing the school year for any reason, the charter school shall notify the superintendent of the school district of the pupil's last known address within 30 days, and shall, upon request, provide that school district with a copy of the cumulative record of the pupil, including a transcript of grades or report card, and health information. This paragraph applies only to pupils subject to compulsory full-time education pursuant to Section 48200.
- (e) The governing board of a school district shall not require any employee of the school district to be employed in a charter school.
- (f) The governing board of a school district shall not require any pupil enrolled in the school district to attend a charter school.
- (g) The governing board of a school district shall require that the petitioner or petitioners provide information regarding the proposed operation and potential effects of the school, including, but not limited to, the facilities to be utilized by the school, the manner in which administrative services of the school are to be provided, and potential civil liability effects, if any, upon the school and upon the school district. The description of the facilities to be used by the charter school shall specify where the school intends to locate. The petitioner or petitioners shall also be required to provide financial statements that include a proposed first-year operational budget, including startup costs, and cashflow and financial projections for the first three years of operation.
- (h) In reviewing petitions for the establishment of charter schools within the school district, the governing board of the school district shall give preference to petitions that demonstrate the

 $AB 3 \qquad -10 -$ 

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capability to provide comprehensive learning experiences to pupils identified by the petitioner or petitioners as academically low achieving pursuant to the standards established by the department under Section 54032 as it read prior to July 19, 2006.

- (i) Upon the approval of the petition by the governing board of the school district, the petitioner or petitioners shall provide written notice of that approval, including a copy of the petition, to the applicable county superintendent of schools, the department, and the state board.
- (j) (1) If the governing board of a school district denies a petition, the petitioner may elect to submit the petition for the establishment of a charter school to the county board of education. The county board of education shall review the petition pursuant to subdivision (b). If the petitioner elects to submit a petition for establishment of a charter school to the county board of education and the county board of education denies the petition, the petitioner may file a petition for establishment of a charter school with the state board, and the state board may approve the petition, in accordance with subdivision (b). A charter school that receives approval of its petition from a county board of education or from the state board on appeal shall be subject to the same requirements concerning geographic location to which it would otherwise be subject if it received approval from the entity to which it originally submitted its petition. A charter petition that is submitted to either a county board of education or to the state board shall meet all otherwise applicable petition requirements, including the identification of the proposed site or sites where the charter school will operate.
- (2) In assuming its role as a chartering agency, the state board shall develop criteria to be used for the review and approval of charter school petitions presented to the state board. The criteria shall address all elements required for charter approval, as identified in subdivision (b) and shall define "reasonably comprehensive" as used in paragraph (5) of subdivision (b) in a way that is consistent with the intent of this part. Upon satisfactory completion of the criteria, the state board shall adopt the criteria on or before June 30, 2001.
- (3) A charter school for which a charter is granted by either the county board of education or the state board based on an appeal

-11 AB 3

pursuant to this subdivision shall qualify fully as a charter school for all funding and other purposes of this part.

- (4) If either the county board of education or the state board fails to act on a petition within 120 days of receipt, the decision of the governing board of the school district to deny a petition shall, thereafter, be subject to judicial review.
- (5) The state board shall adopt regulations implementing this subdivision.
- (6) Upon the approval of the petition by the county board of education, the petitioner or petitioners shall provide written notice of that approval, including a copy of the petition to the department and the state board.
- (k) (1) The state board may, by mutual agreement, designate its supervisorial and oversight responsibilities for a charter school approved by the state board to any local educational agency in the county in which the charter school is located or to the governing board of the school district that first denied the petition.
- (2) The designated local educational agency shall have all monitoring and supervising authority of a chartering agency, including, but not limited to, powers and duties set forth in Section 47607, except the power of revocation, which shall remain with the state board.
- (3) A charter school that has been granted its charter through an appeal to the state board and elects to seek renewal of its charter shall, prior to expiration of the charter, submit its petition for renewal to the governing board of the school district that initially denied the charter. If the governing board of the school district denies the school's petition for renewal, the school may petition the state board for renewal of its charter.
- (*l*) Teachers in charter schools shall hold a Commission on Teacher Credentialing certificate, permit, or other document equivalent to that which a teacher in other public schools would be required to hold. These documents shall be maintained on file at the charter school and are subject to periodic inspection by the chartering authority. It is the intent of the Legislature that charter schools be given flexibility with regard to noncore, noncollege preparatory courses.
- (m) A charter school shall transmit a copy of its annual, independent financial audit report for the preceding fiscal year, as described in subparagraph (I) of paragraph (5) of subdivision (b),

 $AB 3 \qquad -12 -$ 

to its chartering entity, the Controller, the county superintendent of schools of the county in which the charter school is sited, unless the county board of education of the county in which the charter school is sited is the chartering entity, and the department by December 15 of each year. This subdivision does not apply if the audit of the charter school is encompassed in the audit of the chartering entity pursuant to Section 41020.

SEC. 3. Section 47605.6 of the Education Code is amended to read:

47605.6. (a) (1) In addition to the authority provided by Section 47605.5, a county board of education may also approve a petition for the operation of a charter school that operates at one or more sites within the geographic boundaries of the county and that provides instructional services that are not generally provided by a county office of education. A county board of education may only approve a countywide charter if it finds, in addition to the other requirements of this section, that the educational services to be provided by the charter school will offer services to a pupil population that will benefit from those services and that cannot be served as well by a charter school that operates in only one school district in the county. A petition for the establishment of a countywide charter school pursuant to this subdivision may be circulated throughout the county by any one or more persons seeking to establish the charter school. The petition may be submitted to the county board of education for review after either of the following conditions are met:

- (A) The petition has been signed by a number of parents or guardians of pupils residing within the county that is equivalent to at least one-half of the number of pupils that the charter school estimates will enroll in the school for its first year of operation and each of the school districts where the charter school petitioner proposes to operate a facility has received at least 30 days notice of the petitioner's intent to operate a school pursuant to this section.
- (B) The petition has been signed by a number of teachers that is equivalent to at least one-half of the number of teachers that the charter school estimates will be employed at the school during its first year of operation and each of the school districts where the charter school petitioner proposes to operate a facility has received at least 30 days notice of the petitioner's intent to operate a school pursuant to this section.

-13- AB 3

(2) An existing public school may not be converted to a charter school in accordance with this section.

- (3) After receiving approval of its petition, a charter school that proposes to establish operations at additional sites within the geographic boundaries of the county board of education shall notify the school districts where those sites will be located. The charter school shall also request a material revision of its charter by the county board of education that approved its charter and the county board shall consider whether to approve those additional locations at an open, public meeting, held no sooner than 30 days following notification of the school districts where the sites will be located. If approved, the location of the approved sites shall be a material revision of the school's approved charter.
- (4) A petition shall include a prominent statement indicating that a signature on the petition means that the parent or guardian is meaningfully interested in having his or her child or ward attend the charter school, or in the case of a teacher's signature, means that the teacher is meaningfully interested in teaching at the charter school. The proposed charter shall be attached to the petition.
- (b) No later than 60 days after receiving a petition, in accordance with subdivision (a), the county board of education shall hold a public hearing on the provisions of the charter, at which time the county board of education shall consider the level of support for the petition by teachers, parents or guardians, and the school districts where the charter school petitioner proposes to place school facilities. Following review of the petition and the public hearing, the county board of education shall either grant or deny the charter within 90 days of receipt of the petition. However, this date may be extended by an additional 30 days if both parties agree to the extension. A county board of education may impose any additional requirements beyond those required by this section that it considers necessary for the sound operation of a countywide charter school. A county board of education may grant a charter for the operation of a school under this part only if the board is satisfied that granting the charter is consistent with sound educational practice and that the charter school has reasonable justification for why it could not be established by petition to a school district pursuant to Section 47605. The county board of education shall deny a petition for the establishment of a charter school if the board finds, one or more of the following:

 $AB 3 \qquad -14 -$ 

(1) The charter school presents an unsound educational program for the pupils to be enrolled in the charter school.

- (2) The petitioners are demonstrably unlikely to successfully implement the program set forth in the petition.
- (3) The petition does not contain the number of signatures required by subdivision (a).
- (4) The petition does not contain an affirmation of each of the conditions described in subdivision (d).
- (5) The petition does not contain reasonably comprehensive descriptions of all of the following:
- (A) (i) A description of the educational program of the school, designed, among other things, to identify those pupils whom the school is attempting to educate, what it means to be an "educated person" in the 21st century, and how learning best occurs. The goals identified in that program shall include the objective of enabling pupils to become self-motivated, competent, and lifelong learners.
- (ii) If the proposed charter school will enroll high school pupils, a description of the manner in which the manner in which the charter school will inform parents regarding the transferability of courses to other public high schools. Courses offered by the charter school that are accredited by the Western Association of Schools and Colleges may be considered to be transferable to other public high schools.
- (iii) If the proposed charter school will enroll high school pupils, information as to the manner in which the charter school will inform parents as to whether each individual course offered by the charter school meets college entrance requirements. Courses approved by the University of California or the California State University as satisfying their prerequisites for admission may be considered as meeting college entrance requirements for purposes of this clause.
- (B) (i) The measurable pupil outcomes identified for use by the charter school. "Pupil outcomes," for purposes of this part, means the extent to which all pupils of the school demonstrate that they have attained the skills, knowledge, and attitudes specified as goals in the school's educational program.
- (ii) Commencing January 1, 2010, or the effective date of this section, whichever date is later, the measurable pupil outcomes

-15- AB 3

1 for purposes of this subparagraph shall comply with Section 2 47605.9.

- (C) The method by which pupil progress in meeting those pupil outcomes is to be measured.
- (D) The location of each charter school facility that the petitioner proposes to operate.
- (E) The governance structure of the school, including, but not limited to, the process to be followed by the school to ensure parental involvement.
- (F) The qualifications to be met by individuals to be employed by the school.
- (G) The procedures that the school will follow to ensure the health and safety of pupils and staff. These procedures shall include the requirement that each employee of the school furnish the school with a criminal record summary as described in Section 44237.
- (H) The means by which the school will achieve a racial and ethnic balance among its pupils that is reflective of the general population residing within the territorial jurisdiction of the school district to which the charter petition is submitted.
- (I) The manner in which annual, independent, financial audits shall be conducted, in accordance with regulations established by the State Board of Education state board, and the manner in which audit exceptions and deficiencies shall be resolved.
- (J) The procedures by which pupils can be suspended or expelled.
- (K) The manner by which staff members of the charter schools will be covered by the State Teachers' Retirement System, the Public Employees' Retirement System, or federal social security.
- (L) The procedures to be followed by the charter school and the county board of education to resolve disputes relating to provisions of the charter.
- (M) A declaration whether or not the charter school shall be deemed the exclusive public school employer of the employees of the charter school for the purposes of the Educational Employment Relations Act (Chapter 10.7 (commencing with Section 3540) of Division 4 of Title 1 of the Government Code).
  - (N) Admission requirements, of the charter school, if applicable.
- (O) The public school attendance alternatives for pupils residing within the county who choose not to attend the charter school.

 $AB 3 \qquad -16 -$ 

(P) A description of the rights of an employee of the county office of education, upon leaving the employment of the county office of education, to be employed by the charter school, and a description of any rights of return to the county office of education that an employee may have upon leaving the employ of the charter school.

- (Q) A description of the procedures to be used if the charter school closes. The procedures shall ensure a final audit of the school to determine the disposition of all assets and liabilities of the charter school, including plans for disposing of any net assets and for the maintenance and transfer of public records.
- (6) Any other basis that the board finds justifies the denial of the petition.
- (c) A county board of education that approves a petition for the operation of a countywide charter may, as a condition of charter approval, enter into an agreement with a third party, at the expense of the charter school, to oversee, monitor, and report to the county board of education on the operations of the charter school. The county board of education may prescribe the aspects of the charter school's operations to be monitored by the third party and may prescribe appropriate requirements regarding the reporting of information concerning the operations of the charter school to the county board of education.
- (d) (1) Charter schools shall meet all statewide standards and conduct the pupil assessments required pursuant to Section 60605 and any other statewide standards authorized in statute or pupil assessments applicable to pupils in noncharter public schools.
- (2) Charter schools shall on a regular basis consult with their parents and teachers regarding the school's educational programs.
- (e) (1) In addition to any other requirement imposed under this part, a charter school shall be nonsectarian in its programs, admission policies, employment practices, and all other operations, shall not charge tuition, and shall not discriminate against any pupil on the basis of ethnicity, national origin, gender, or disability. Except as provided in paragraph (2), admission to a charter school shall not be determined according to the place of residence of the pupil, or of his or her parent or guardian, within this state.
- (2) (A) A charter school shall admit all pupils who wish to attend the school.

-17- AB 3

(B) However, if the number of pupils who wish to attend the charter school exceeds the school's capacity, attendance, except for existing pupils of the charter school, shall be determined by a public random drawing. Preference shall be extended to pupils currently attending the charter school and pupils who reside in the county except as provided for in Section 47614.5. Other preferences may be permitted by the chartering authority on an individual school basis and only if consistent with the law.

- (C) In the event of a drawing, the county board of education shall make reasonable efforts to accommodate the growth of the charter school and, in no event, shall take any action to impede the charter school from expanding enrollment to meet pupil demand.
- (f) No county board of education shall require any employee of the county or a school district to be employed in a charter school.
- (g) No county board of education shall require any pupil enrolled in a county program to attend a charter school.
- (h) The county board of education shall require that the petitioner or petitioners provide information regarding the proposed operation and potential effects of the school, including, but not limited to, the facilities to be utilized by the school, the manner in which administrative services of the school are to be provided, and potential civil liability effects, if any, upon the school, any school district where the charter school may operate and upon the county board of education. The petitioner or petitioners shall also be required to provide financial statements that include a proposed first-year operational budget, including startup costs, and cashflow and financial projections for the first three years of operation.
- (i) In reviewing petitions for the establishment of charter schools within the county, the county board of education shall give preference to petitions that demonstrate the capability to provide comprehensive learning experiences to pupils identified by the petitioner or petitioners as academically low-achieving pursuant to the standards established by the State Department of Education department under Section 54032 as it read prior to July 19, 2006.
- (j) Upon the approval of the petition by the county board of education, the petitioner or petitioners shall provide written notice of that approval, including a copy of the petition, to the school districts within the county, the Superintendent of *Public Instruction* and to the State Board of Education state board.

 $AB 3 \qquad -18 -$ 

(k) If a county board of education denies a petition, the petitioner may not elect to submit the petition for the establishment of the charter school to the State Board of Education.

- (*l*) Teachers in charter schools shall be required to hold a Commission on Teacher Credentialing certificate, permit, or other document equivalent to that which a teacher in other public schools would be required to hold. These documents shall be maintained on file at the charter school and shall be subject to periodic inspection by the chartering authority.
- (m) A charter school shall transmit a copy of its annual, independent, financial audit report for the preceding fiscal year, as described in subparagraph (I) of paragraph (5) of subdivision (b), to the County Office of Education, State Controller, and the State Department of Education department by December 15 of each year. This subdivision shall not apply if the audit of the charter school is encompassed in the audit of the chartering entity pursuant to Section 41020.
- SEC. 4. Section 47605.9 is added to the Education Code, to read:
- 47605.9. (a) This section shall be known and may be cited as the Charter School Accountability Act of 2009.
- (b) Commencing January 1, 2010, or the effective date of this section, whichever date is later, a charter school petition submitted pursuant to Section 47605 or 47605.6 shall contain a comprehensive description of measurable pupil outcomes selected pursuant to this section that are consistent with the skills, knowledge, and attitudes identified as goals in the school's educational program. A charter school shall use the measurable pupil outcomes for purposes of annual assessment of pupil performance and annually shall submit the outcomes to the authorizing district or agency, the Superintendent, and the state board.
- (c) The measurable pupil outcomes selected pursuant to this section shall include all of the following:
  - (1) Academic Performance Index results.
- (2) Academic Performance Index results for the subgroups identified pursuant to the federal Elementary and Secondary Education Act, including, but not limited to, English language learners and individuals with exceptional needs.
  - (3) Academic Performance Index growth target results.

-19- AB 3

(4) Pupil retention and drop out rates for charter schools that serve pupils in any of grades 8 to 12, inclusive.

(5) Pupil attendance rates.

- (6) Teacher retention and turnover rates.
- (7) At least one of the following in order to reflect the academic and enrichment goals of the charter school's educational program:
- (A) Schoolwide or grade-level-specific performance on individual subject area California Standards Tests.
- (B) Number of pupils enrolled in and completing advanced placement coursework.
- (C) Number of pupils taking entrance examinations for twoand four-year postsecondary educational institutions or apprenticeship programs.
- (D) Number of pupils taking standards-aligned coursework beyond the minimum state graduation requirements, including, but not limited to, fine arts, career technical education, and science.
- (E) Number of pupils participating in school-sponsored or affiliated before or after school activities.
- (F) Selected data results from the annual California Healthy Kids Survey.
- (G) Any other pupil performance indicator determined by the charter school to demonstrate progress toward one or more academic or enrichment goals.
- (c) Commencing January 1, 2011, all charter renewals pursuant to Section 47607 shall contain a comprehensive description of measurable pupil outcomes selected pursuant to this section that are consistent with the skills, knowledge, and attitudes identified as goals in the school's educational program. A charter school shall use the measurable pupil outcomes for purposes of annual assessment of pupil performance and annually shall submit the outcomes to the authorizing district or agency and the state board.
- (d) By January 1, 2012, all charter schools authorized prior to January 1, 2010, or the effective date of this section, whichever date is later, shall submit to the authorizing school district or agency a comprehensive description of measurable pupil outcomes selected pursuant to this section that are consistent with the skills, knowledge, and attitudes identified as goals in the school's educational program. A charter school shall use the measurable

39 pupil outcomes for purposes of annual assessment of pupil

 $AB 3 \qquad -20 -$ 

performance and annually shall submit the outcomes to the authorizing district or agency and the state board.

- SEC. 5. Section 47607 of the Education Code is amended to read:
- 47607. (a) (1) A charter may be granted pursuant to Sections 47605, 47605.5, and 47606 for a period not to exceed five years. A charter granted by a school district governing board, a county board of education or the state board, may be granted one or more subsequent renewals by that entity. Each renewal shall be for a period of five years. A material revision of the provisions of a charter petition may be made only with the approval of the authority that granted the charter. The authority that granted the charter may inspect or observe any part of the charter school at any time.
- (2) Renewals and material revisions of charters are governed by the standards and criteria in Section 47605, and shall include, but not be limited to, a reasonably comprehensive description of any new requirement of charter schools enacted into law after the charter was originally granted or last renewed.
- (b) Commencing on January 1, 2005, or after a charter school has been in operation for four years, whichever date occurs later, a charter school shall meet at least one of the following criteria prior to receiving a charter renewal pursuant to paragraph (1) of subdivision (a):
- (1) Attained its Academic Performance Index (API) growth target in the prior year or in two of the last three years, or in the aggregate for the prior three years.
- (2) Ranked in deciles 4 to 10, inclusive, on the API in the prior year or in two of the last three years.
- (3) Ranked in deciles 4 to 10, inclusive, on the API for a demographically comparable school in the prior year or in two of the last three years.
- (4) (A) The entity that granted the charter determines that the both of the following:
- (i) The academic performance of the charter school is at least equal to the academic performance of the public schools that the charter school pupils would otherwise have been required to attend, as well as the academic performance of the schools in the school district in which the charter school is located, taking into account

-21 AB 3

the composition of the pupil population that is served at the charter school.

- (ii) The charter school demonstrates through annual data submitted pursuant to Section 47605.9 that the charter school has achieved positive progress on each of the measurable pupil outcomes selected by the school.
- (B) The determination made pursuant to this paragraph shall be based upon all of the following:
  - (i) Documented and clear and convincing data.
- (ii) Pupil achievement data from assessments, including, but not limited to, the Standardized Testing and Reporting Program established by Article 4 (commencing with Section 60640) of Chapter 5 of Part 33 for demographically similar pupil populations in the comparison schools.
  - (iii) Information submitted by the charter school.
- (C) A chartering authority shall submit to the Superintendent and the state board copies of supporting documentation and a written summary of the basis for any determination made pursuant to this paragraph. The Superintendent shall review the materials and make recommendations to the chartering authority based on that review. The review may be the basis for a recommendation made pursuant to Section 47604.5.
- (D) A charter renewal may not be granted to a charter school prior to 30 days after that charter school submits materials pursuant to this paragraph.
- (5) Has qualified for an alternative accountability system pursuant to subdivision (h) of Section 52052.
- (c) A charter may be revoked by the authority that granted the charter under this chapter if the authority finds, through a showing of substantial evidence, that the charter school did any of the following:
- (1) Committed a material violation of any of the conditions, standards, or procedures set forth in the charter.
- (2) Failed to meet or pursue any of the pupil outcomes identified in the charter *pursuant to subdivision* (b) and Section 47605.9.
- (3) Failed to meet generally accepted accounting principles, or engaged in fiscal mismanagement.
  - (4) Violated any provision of law.
- 39 (d) Prior to revocation, the authority that granted the charter 40 shall notify the charter public school of any violation of this section

-22-

and give the school a reasonable opportunity to remedy the violation, unless the authority determines, in writing, that the violation constitutes a severe and imminent threat to the health or safety of the pupils.

- (e) Prior to revoking a charter for failure to remedy a violation pursuant to subdivision (d), and after expiration of the school's reasonable opportunity to remedy without successfully remedying the violation, the chartering authority shall provide a written notice of intent to revoke and notice of facts in support of revocation to the charter school. No later than 30 days after providing the notice of intent to revoke a charter, the chartering authority shall hold a public hearing, in the normal course of business, on the issue of whether evidence exists to revoke the charter. No later than 30 days after the public hearing, the chartering authority shall issue a final decision to revoke or decline to revoke the charter, unless the chartering authority and the charter school agree to extend the issuance of the decision by an additional 30 days. The chartering authority shall not revoke a charter, unless it makes written factual findings supported by substantial evidence, specific to the charter school, that support its findings.
- (f) (1) If a school district is the chartering authority and it revokes a charter pursuant to this section, the charter school may appeal the revocation to the county board of education within 30 days following the final decision of the chartering authority.
- (2) The county board may reverse the revocation decision if the county board determines that the findings made by the chartering authority under subdivision (e) are not supported by substantial evidence. The school district may appeal the reversal to the state board.
- (3) If the county board does not issue a decision on the appeal within 90 days of receipt, or the county board upholds the revocation, the charter school may appeal the revocation to the state board.
- (4) The state board may reverse the revocation decision if the state board determines that the findings made by the chartering authority under subdivision (e) are not supported by substantial evidence. The state board may uphold the revocation decision of the school district if the state board determines that the findings made by the chartering authority under subdivision (e) are supported by substantial evidence.

-23- AB 3

(g) (1) If a county office of education is the chartering authority and the county board revokes a charter pursuant to this section, the charter school may appeal the revocation to the state board within 30 days following the decision of the chartering authority.

- (2) The state board may reverse the revocation decision if the state board determines that the findings made by the chartering authority under subdivision (e) are not supported by substantial evidence.
- (h) If the revocation decision of the chartering authority is reversed on appeal, the agency that granted the charter shall continue to be regarded as the chartering authority.
- (i) During the pendency of an appeal filed under this section, a charter school, whose revocation proceedings are based on paragraph (1) or (2) of subdivision (c), shall continue to qualify as a charter school for funding and for all other purposes of this part, and may continue to hold all existing grants, resources, and facilities, in order to ensure that the education of pupils enrolled in the school is not disrupted.
- (j) Immediately following the decision of a county board to reverse a decision of a school district to revoke a charter, the following shall apply:
- (1) The charter school shall qualify as a charter school for funding and for all other purposes of this part.
- (2) The charter school may continue to hold all existing grants, resources, and facilities.
- (3) Any funding, grants, resources, and facilities that had been withheld from the charter school, or that the charter school had otherwise been deprived of use, as a result of the revocation of the charter shall be immediately reinstated or returned.
- (k) A final decision of a revocation or appeal of a revocation pursuant to subdivision (c) shall be reported to the chartering authority, the county board, and the department.
- SEC. 6. If the Commission on State Mandates determines that this act contains costs mandated by the state, reimbursement to local agencies and school districts for those costs shall be made pursuant to Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code.

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